

# FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATIONS FOR 1982

## HEARINGS

BEFORE A

### SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES

NINETY-SEVENTH CONGRESS

FIRST SESSION

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Bureau for Refugee Programs

Bureau of International Narcotics Matters

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Printed for the use of the Committee on Appropriations



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WEDNESDAY, APRIL 8, 1981.

DEPARTMENT OF STATE

BUREAU OF INTERNATIONAL NARCOTICS MATTERS

WITNESSES

JOSEPH H. LINNEMANN, ACTING ASSISTANT SECRETARY, BUREAU OF  
INTERNATIONAL NARCOTICS MATTERS, DEPARTMENT OF STATE,  
JAMES VAN WERT, COMPTROLLER AND EXECUTIVE DIRECTOR

Mr. LONG. The hearing will come to order.

Mr. Linnemann, you have a statement. I hope you can summarize it for the record. Without objection it will be included in the record.

[The statement of Mr. Linnemann follows:]

PREPARED STATEMENT OF JOSEPH H. LINNEMANN, ACTING ASSISTANT SECRETARY,  
BUREAU OF INTERNATIONAL NARCOTICS MATTERS, DEPARTMENT OF STATE

I am pleased to appear before you today to discuss the Department of State's role in our efforts to control illicit narcotics. Events of the past year, both in the United States and abroad, have reinforced our view that international narcotics control is an integral part of United States foreign relations. I welcome this opportunity to present the Department's overall international narcotics control philosophy, describe our programs and place our effort in a global context.

First of all, let me put it in relative fiscal terms. Illicit drug sales in the United States are estimated at \$65 billion. According to a Fortune magazine report of 1979 corporate earnings, only Exxon and AT&T exceeded that figure. In contrast, the overall Federal budget devoted to the suppression of drug abuse is roughly \$1 billion. Approximately 95 percent of that amount is expended here in the United States for law enforcement, demand reduction, and addict rehabilitation. The remainder is devoted largely to international programs planned and implemented by the Bureau of International Narcotics Matters (INM). For fiscal year 1982, the Department is requesting \$37,700,000 for INM's budget, approximately \$2,300,000 more than our fiscal year 1981 planned program.

The history of Prohibition and of illegal immigration to the United States demonstrates that our borders cannot be sealed to forces attracted by the wealth of this country. This does not deter us however from doing what we can to reduce the illicit drug supply while solutions to the domestic demand for illicit narcotics are sought. The Department's role in our international effort is to motivate and assist foreign governments in curtailing the production of illicit drugs at their source and in immobilizing major traffickers who smuggle these drugs into the United States. Since the appointment of the Department's Special Advisor on Narcotics Matters in 1971, we have placed highest priority on those drugs that have the most serious health, social and economic consequences, i.e., heroin, cocaine and marijuana, in that order. INM's primary goal has been to assist foreign governments to stem trafficking in these drugs as close to the point of initial production as possible.

The Department follows three general approaches in pursuing that goal. They can be characterized as: 1) illicit production control and interdiction through enforcement; 2) drug income alternatives where necessary; and 3) demand prevention and reduction. Underpinning these approaches is a sustained diplomatic effort by the Department and our overseas Missions to secure the cooperation of producing and transit countries in the global fight against drug abuse. Unless we ensure a cooperative international environment, other United States agencies, such as the Drug Enforcement Administration, U.S. Customs Service or the U.S. Coast Guard, could not operate effectively with their foreign counterparts. More specifically, the Department, through government-to-government agreements and appropriate interna-

tional agencies, seeks to provide the legal and organizational framework (i.e., seizure of illicit assets, mutual judicial assistance, ship boardings, and UN drug control conventions) within which much of our international effort is based.

The principal focus of INM's effort, within these three general approaches, is direct technical assistance. In fiscal year 1982, INM is requesting \$26,950,000 for country programs, an increase of approximately \$2,030,000 over planned fiscal year 1981 levels, due largely to increased efforts in Southwest Asia and our program in Burma. To date, our most successful country program has been our support of Mexico's efforts to eradicate opium poppies. Before the aerial eradication program began in 1975, Mexico was the leading source of heroin for the United States. Substantial amounts of Mexican heroin are still being seized, but the herbicide program destroys an estimated 90 percent of the opium planted.

I would now like to go into a review of the environment of illicit drug activities in Asia and Latin America and how our individual country programs are designed to counter them.

#### ASIA

In Southeast and Southwest Asia, the target drug for INM's proposed program is opium, and the heroin which is refined from it. In Southeast Asia, this means the primary focus is in Burma and Thailand; in Southeast Asia in Pakistan. We shall also propose programs for transit countries, like Turkey, and in both Southeast and Southwest Asia, a regional cooperation project. As in Latin America, the projects proposed are of two general designs—supply reduction and demand reduction. Supply reduction projects attempt to restrict the supply of illicit opiates reaching the United States. Enforcement assistance to police and customs agencies, and crop/income substitution projects fit this design. Demand reduction projects are focused on limit demand for illicit opiates. Frequently, international traffickers get their start in their own domestic drug market. At the least, a reliable domestic market provides a cushion for traffickers suffering hard times. We support a domestic program of treatment and rehabilitation of drug abusers and propose studies into the nature and extent of drug abuse in Asia.

#### DRUG TRAFFICKING IN SOUTHEAST ASIA

Opium is grown in the rugged hill-country along the tri-border area of Burma, Thailand, and Laos. Hill tribes, ethnically different from the nationals of these three states, and generally at a lower level of civilization, are the primary cultivators of the opium poppy. They practice a slash and burn form of agriculture, very destructive of lumber resources and watersheds, as they cultivate the poppy.

The opium is refined just along the border between Burma and Thailand. In this wild "no-man's land," covered by very heavy jungle, neither Burma nor Thailand have the ability to exert control consistently. Bands of traffickers and opium refiners take advantage of the weakness of local governments, the difficulties of the terrain, and the crazy quilt pattern of ethnic and political insurgencies. Their income from the narcotics trade means that they are well armed, and able to corrupt poorly paid provincial officials. The so-called Shan United Army (SUA) has achieved a predominant position in refining and trafficking in the Thai/Burmese border area.

Semi-refined opium and its derivatives move to market through various channels. We feel the largest part of opium produced in the "Golden Triangle" region of Southeast Asia transits Thailand before it leaves the region. The tendency for opiates to leave the region via Thailand is encouraged, at least in part, by the relative isolation and controlled nature of the Burmese and Lao societies. Nevertheless, some opiates certainly move through Burma by land to the Tenasserim coast, then on to Malaysia and elsewhere by sea. We believe the major trafficking routes, however, lead over land to Bangkok, and points south in Thailand and Malaysia, then by air and traveler concealment to destinations outside the region.

#### DRUG TRAFFICKING IN SOUTHWEST ASIA

In Southeast Asia opium is offered for sale relatively openly at towns along the border between Afghanistan and Pakistan. These tribal areas are not subject to Pakistani government law or control, and have long resisted non-tribal authority. Opium and refined products leave the tribal areas over land or camel caravans and by truck. There is also clear evidence of movement out by sea and by air through Karachi. Some enforcement officials speculate that shipments of Afghan-Pakistan opium to meet the demand of Iran's large addict population frees up a portion of Iran's production for movement into Turkey's eastern province. Opium can be refined into morphine base and heroin at any point from the Pakistani frontier to

eastern Turkey. The "refineries" used in this process are crude and highly mobile. They are not easy to locate and destroy.

Morphine base is also moved to Turkey's porous southern coastline where it is shipped to points in Italy for further refining into heroin and movement to the United States through Mafia channels. Heroin moves directly over land to Western Europe where it has fueled an addiction epidemic of unprecedented proportions and has the potential for affecting our armed forces.

#### PROGRAMS IN ASIA

To counter the threat from opium/heroin production in Southeast and Southwest Asia, INM supports programs designed to reduce both the supply of and the demand for opium and heroin. In fiscal year 1982, INM is requesting \$9,000,000 for country programs in Southeast Asia and \$4,400,000 for programs in Southwest Asia.

In Southeast Asia, international narcotics control assistance supports enforcement efforts in Thailand and in Burma. In Thailand, commodities such as vehicles, narcotics test kits, etc., and training are provided to narcotics enforcement units of the Thai Police and Customs.

In Burma, INC assistance supports contract maintenance for fixed and rotary wing aircraft used to curtail opium production. Recently the destruction of more than 5,000 acres of poppies was made possible by these aircraft to ferry personnel to the isolated areas where poppies grow.

Encouraging regional enforcement cooperation is also an important goal of INC assistance. In Southeast Asia, the Bureau has pursued this by funding police training for students from the five ASEAN countries (Association of Southeast Asian Nations) at the Thai Police Academy. This goal has also been advanced through the activities of the Colombo Plan Drug advisor, who is dedicated to regional cooperation. From its inception, the Colombo Plan Drug Advisory Program has received most of its financial support from the United States. Through the "Cross Posting Program", one facet of this program, the Colombo Plan finances the travel of two officers working on the narcotics problem in Asian countries. These officers exchange positions for several months to broaden their experience and encourage international cooperation against narcotics trafficking. We are requesting \$150,000 in fiscal year 1982 to support the Colombo Plan's efforts.

In Southwest Asia, political turmoil has prevented the Bureau from cooperating with Iran or Afghanistan. It has been estimated that if all the opium presently stored in Pakistan were to be converted into heroin, Pakistan alone could supply the United States market at present United States consumption rates for the next ten years. INM is attempting to strengthen Pakistani narcotics law enforcement efforts through training and commodity assistance to the Pakistani Narcotics Control Board (PNCB), the Pakistani Customs Service, and other agencies with enforcement responsibilities. Additionally, we support income/crop substitution programs, and addict treatment and rehabilitation. In Pakistan, the Bureau is planning a significant increase in efforts. A total of \$1,150,000 will be provided for the Customs and PNCB units and \$1,350,000 for the agricultural development project in the Northwest Frontier Province to develop alternate income sources.

Geographic position has helped to make Turkey an important trafficking route for Southwest Asian heroin on its way to Europe and the United States. INC assistance is designed to respond to the problem of generally tight budgets in Pakistan by providing needed commodities and narcotics law enforcement training.

As I noted earlier, the Bureau is also supporting demand reduction programs. The Bureau believes demand reduction projects are an integral component of our overall assistance. They aid unfortunate individuals in countries which are crucial to a successful effort against drug abuse. The United States advances its own interest while sincerely and honestly helping our friends and allies.

#### LATIN AMERICA

I would like to turn now to the current narcotics situation in Latin America. Latin Americans, because of their geographical and cultural proximity, are much more attuned to our society than the inhabitants of the remote narcotics producing areas of Asia. They are more aware of the perceived ambivalent attitude toward drug abuse among major elements of our population. They also are more aware of our inability to fully enforce our own laws against the production here of illicit drugs and marijuana. This relative familiarity with the controversy over drug use here adds a unique complication to our programs in Latin America. We frequently must convince influential private and public figures that the United States—the ready market for lucrative exports from their weak economies—really wants them to take strong and politically difficult measures to control illicit production and